Congress of the United States Unshington, IC 20515

October 9, 2001

Governor Gray Davis State Capitol Sacramento, California 94610

Dear Governor Davis,

We are writing to express our support for efforts in the state of California towards better understanding international trade agreements and how they might impact the ability of state lawmakers to support and maintain their own laws. We have been following the work of the California State Senate Select Committee on International Trade Policy and State Legislation. The committee is stimulating a long overdue discourse on the implications of international trade agreements to state law.

The current NAFTA claim of the Methanex Corporation, which is suing the United States government for \$970 million because of California's phase out of MTBE, is just one striking example of how international agreements have opened the door to assaults on California's ability to conduct state environmental policy.

As lawmakers responsible for setting the terms for international trade agreements, we welcome the input and perspective of California legislators in matters relating to trade. The implementing legislation for NAFTA and the WTO agreements require consultation with states, and the U.S. Trade Representative has pledged to conduct an environmental review of new trade agreements with particular attention to the potential impacts on state law. It is clear to us that for this review to be effective, it must draw upon the expertise and political engagements of state governments.

For these reasons, we support current legislation in the California Legislature that would require the state departments of Industrial Relations and Environmental Protection to assess these issues and provide recommendations to us as well as to other appropriate parties. We respectfully urge your signature on California State Senator Sheila Kuehl's legislation currently on your desk, SB 1044 and SB 1111.

As the nation's leading trade state, California is in a position to play a leadership role by providing invaluable information for the process of negotiating and implementing international trade agreements.

Sincerely,

Pete Stark

Member of Congress

Bob Makeri

Member of Conngress

George Miller

Member of Congress

enry Vaxman

Member of Congress

Barbara Lee

Member of Congress

Diane Watson

Member of Congress

Maxine Waters
Member of Congress

Lynn Woolsey Member of Congress

Bob Filner Member of Congress